

February 2011

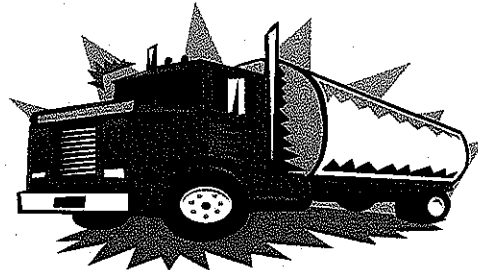
MICHIGAN PETROLEUM ASSOCIATION
MPAMACS
MICHIGAN ASSOCIATION of CONVENIENCE STORES



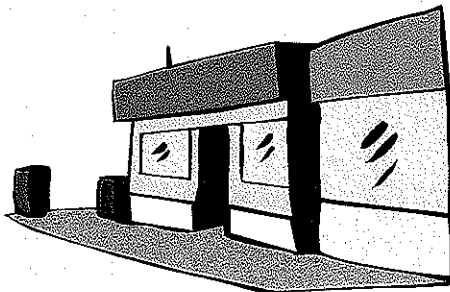
7521 Westshire Drive, Suite 200
Lansing, MI 48917
Phone: 517 622-3530
Fax: 517 622-3420
Web Site: www.mpamacs.org

The Michigan Petroleum Association (MPA) has been serving the state's independent petroleum marketers since 1934. MPA was incorporated by a group of petroleum distributors who believed that by promoting a cooperative spirit and encouraging group effort, marketers across the state could best achieve their common goals.

The Michigan Association of Convenience Stores (MACS) was established by MPA in 1986 to serve the interests of the state's c-store industry on the legislative front and in other matters of concern to c-store operators. In 1996,



truckstop operators, service station operators, and retail/wholesale providers of propane were invited to join MPA/MACS and benefit from the Association's services and expertise.



MPA/MACS counts 500 companies as members, with over 1,500 retail locations. Our members employ over 15,000 people statewide in all of Michigan's 83 Counties.

The "average" gas station/convenience store is a major partner for the State of Michigan when it comes to the collection and payment of State Taxes. Please keep in mind that **most of these taxes are prepaid to the State, not just passed along** and collected from the customer.

The average gas station/convenience store pays about \$140,500 per year in cigarette taxes. They pay \$25,500 per year in sales tax on those cigarettes. The average gas station/convenience store pays to the State about \$170,360 per year in gasoline motor fuel taxes and about \$31,930 per year in diesel motor fuel taxes. They also pay about \$141,670 and \$35,970 per year in sales tax on gasoline and diesel fuel respectively.



All told, the average gas station/convenience store pre-pays about **\$545,930 per year** and **as an industry we pay over \$2,675,057,000** to the State just on cigarette and motor fuel sales. Obviously this does not include sales or use taxes on other items sold in the store, bought for use in the store, income taxes, etc. We pre-pay an **additional \$1,062,896,000 to the Federal Government in gasoline and diesel motor fuel taxes**. **Total taxes on motor fuel exceed \$2,924,456,000 per year. 53.2 cents per gallon for gas/56.3 cents for diesel.**

NEWS ADVISORY FROM



FOR IMMEDIATE RELEASE

CONTACT:

Mark Griffin, MPA/MACS, 517/622-3530

Hold For Release Until Monday, June 28, 2010

John Cavanagh, EPIC MRA, 517/886-0860

New Survey Shows Michigan Voters Support 1 Percent Sales Tax Increase to Pay for Roads Instead of 42% Gas Tax Increase

MPA Urges Legislature to Place Sales Tax Measure on the November Ballot

(LANSING) – On the eve of the heavily traveled 4th of July holiday weekend, a new EPIC • MRA poll shows that Michigan voters overwhelmingly prefer a proposal to eliminate the state's motor fuel taxes on gasoline and diesel fuel, and they also support a ballot proposal to increase the sales tax from 6 percent to 7 to raise revenue for the state's roads, over a gas tax increase.

In a stand-alone question, respondents resoundingly rejected – by a margin of 75-20 percent – the current proposal to increase the gasoline and diesel fuel taxes, from 19 and 15 cents respectively, up to 27 cents per gallon.

The survey also asked voters if they preferred the current proposal to increase motor fuel taxes, or if they preferred eliminating the two existing motor fuel taxes in favor of a one percent increase on the sales tax to pay for roads. By a resounding 55 percent to 18 percent margin, respondents opted for the elimination of the current fuel taxes and increasing the sales tax from 6 percent to 7 percent, over an increase in the motor fuel taxes as a way to fund improvements to the state's transportation infrastructure.

When respondents were told that Michigan's gas and diesel taxes are already among the highest in the country, and that the fuel tax increase proposal represented a 42 percent increase in the gas tax and an 80 percent increase in the diesel tax, nine percent of initial fuel tax hike supporters switched their position and supported elimination of the motor fuels tax and increasing the state sales to raise revenue for roads. This information increased the margin to 57 percent in favor of elimination of the fuel taxes with a mere 13 percent opting for a gas tax hike.

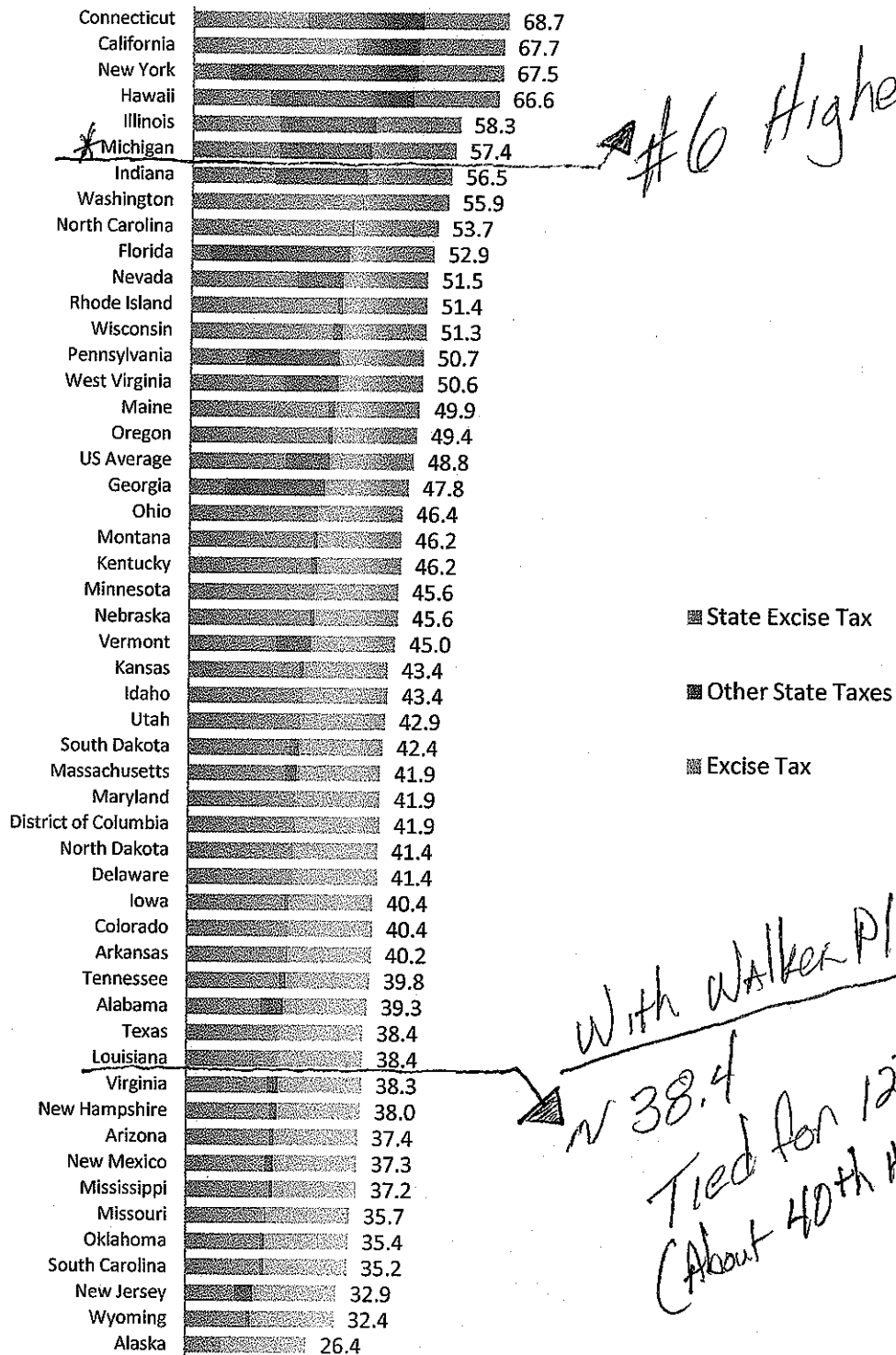
"We all agree that good roads are essential to having a strong economy in Michigan," said Mark Griffin, president of the Michigan Petroleum Association/Michigan Association of Convenience Stores. "We commissioned this survey to determine the way in which voters preferred to accomplish this result. The poll unquestionably demonstrates that the more equitable way to fund roads is eliminating the motor fuel tax and increasing the state sales by one percent. Lowering the price at the pump and increasing the sales tax has much more support from the people who want a voice in this decision, than does a straight hike in taxes at the pump. We urge the Legislature to place this measure on the November ballot and let the voters of Michigan choose how they want their roads funded."

The EPIC-MRA poll surveyed 600 likely voters statewide between June 12 and 15, and has a margin of error of plus or minus 4 percent.

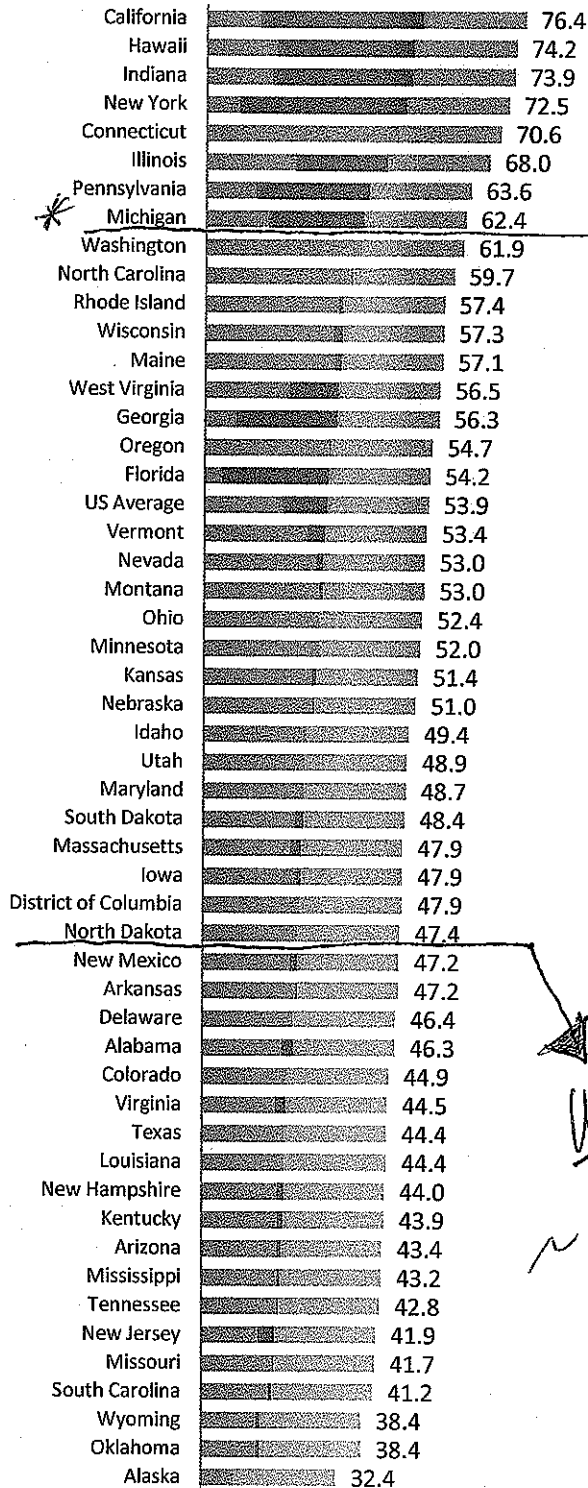
The Michigan Petroleum Association and Michigan Association of Convenience Stores exists to serve the state's independent petroleum marketers and convenience store operators. MPA/MACS has 550 member companies with over 1,500 retail locations. MPA/MACS members employ over 15,000 people statewide in all of Michigan's 83 counties.

###

Gasoline Motor Fuel Taxes as of October 2011



Diesel Motor Fuel Taxes as of October 2011



#1 Highest

State Excise Tax

Other State Taxes

Excise Tax

With Walker Plan
~47.4
TIED for 19th
Lowest
(About 32nd)
Highest.